

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 938 - HB 1408

March 2, 2020

SUMMARY OF BILL: Requires contracts between the state and a private entity or a county and a private entity for the purpose of housing state inmates to be a performance-based contract adhering to accountability standards and performance measures established by the Department of Correction (DOC).

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Tenn. Code Ann. §§ 41-24-101 et seq., known as the Private Prison Contracting Act of 1986, provides certain criteria and requirements for contracts between the DOC and a private prison contractor for correctional services.
- Tenn. Code Ann. § 41-24-102(2) defines “correctional services” as certain functions, services, and activities when provided within a prison. Tenn. Code Ann. § 41-24-102(4) defines “prison” as any adult institution operated by or under the authority of the DOC.
- The proposed legislation enacts the Private Prison Alignment Act and requires all contracts with a private entity, whether entered into by the DOC or by a county, for the purposes of providing correction services, as defined in Tenn. Code Ann. § 41-24-102, to be performance-based contracts adhering to accountability standards and performance measures established by the DOC.
- The proposed legislation does not apply to contracts between a county and a private entity for the purpose of housing local inmates. The proposed legislation will not impact local jail operations.
- The proposed legislation requires DOC to establish, by promulgated rules, accountability standards and performance measures to be met by a private entity providing correction services and requires any contract entered into or renewed to be a performance-based contract adhering to such standards and measures.
- The proposed legislation applies to four current contracts:
 - DOC’s contract with CoreCivic for the operation of South Central Correction Facility;
 - Hardeman County’s contract with CoreCivic for the Hardeman County Correctional Facility;

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- Hardeman County's contract with CoreCivic for the Whiteville Correctional Facility; and
- Trousdale County's contract with CoreCivic for the Trousdale County Correctional Facility.
- The proposed legislation would require any renewal of these contracts or future contracts entered into for correctional services to adhere to the standards and measures established by DOC.
- The proposed legislation will not significantly impact DOC's policies or operations. Further, the proposed legislation will not impact state expenditures or revenue.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/amj